

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3502-01
Bill No.: SB 678
Subject: Roads and Highways, Transportation Department
Type: Original
Date: February 5, 2010

Bill Summary: Prohibits tri-vision, projection, digital or other changeable copy technologies from being used on billboards.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Lottery Enterprise Fund	(\$303,333)	(\$374,920)	(\$386,168)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$303,333)	(\$374,920)	(\$386,168)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Missouri Lottery** currently leases 10 billboards throughout the State of Missouri to communicate the level of the Powerball jackpot and to create awareness for potential players. The digital jackpot amount is changeable and is done so remotely by the Multi-State Lottery Association through satellite communications. This is a cost effective means to promote the Lottery through the advertising of the on-line game with the largest jackpot amount.

If the digital changeable copy technology is no longer permitted for these signs, some type of manual maintenance of the jackpot amounts would be required. This option, due to the frequency of the manual changes, the timing required for the changes (draws are held at 9:59 p.m. on Wednesday and Saturday nights) as well as the costs, may not be considered as feasible.

If the jackpot amounts on the billboards must be manually maintained, it is estimated that the costs per billboard, per draw (twice per week) would be an average of \$350 per billboard. This assumes a local contractor can perform these services without the need of special equipment, such as a lift truck.

$\$350 \text{ per billboard} \times 10 \text{ billboards} \times \text{twice per week} \times 52 \text{ weeks per year} = \$364,000 \text{ per year.}$

Officials at the **Missouri Department of Transportation** and the **City of Kansas City** assume that there is no fiscal impact from this proposal.

Officials at the **St. Louis County** assume minimal fiscal impact because virtually all available locations for signs meeting the criteria in this bill have already been utilized and we receive very few new applications. Since January 1, 2008, we have only issued two permits for signs that would be affected by this proposal and we have only issued one permit to relocate a sign.

Officials with the City of St. Louis and Jackson County did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
LOTTERY ENTERPRISE FUND			
<u>Cost - Lottery</u>			
Manual changing of billboards	<u>(\$303,333)</u>	<u>(\$374,920)</u>	<u>(\$386,168)</u>
ESTIMATED NET EFFECT ON LOTTERY ENTERPRISE FUND	<u>(\$303,333)</u>	<u>(\$374,920)</u>	<u>(\$386,168)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act prohibits tri-vision, projection, digital, or other changeable copy technologies from being used on billboards. Under current law, tri-vision, projection, and other changeable message signs may be used subject to commission regulations.

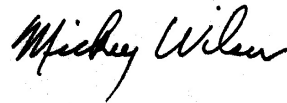
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Department of Transportation
Missouri Lottery
City of Kansas City
St. Louis County

Not Responding

City of St. Louis
Jackson County

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 5, 2010